

OFFICE OF CITY CONTROLLER
CITY OF HOUSTON
INTER OFFICE CORRESPONDENCE

To	Mayor Lee P. Brown City Council Members	From	Judy Gray Johnson City Controller
		Date	July 25, 2003
		Subject	June 2003 Financial Report

Attached is the Monthly Financial and Operations Report for the period ending June 30, 2003.

GENERAL FUND

Revenues – FY 2003

Total General Fund revenue projections decreased by \$4.4 million from the May 2003 report. This net decrease in projections is attributable to decreases in Property Tax receipts, Licenses and Permits and Charges for Services offset by an increase in Intergovernmental. While additional variations may occur within the various categories, we anticipate fiscal year 2003 revenues will be \$1.361 billion.

- The Property Tax revenue projection declined by \$3.3 million when compared to the amount estimated last month. The decline represents lower than expected in current collections.
- The Licenses & Permits revenue projection decreased by \$1.9 million. Fire alarm permits revenues did not reach the level of collection anticipated in FY03.
- Our projection for Charges for Services decreased by \$2.6 million due to the reclassification of airport police services to Direct Interfund.
- The Intergovernmental revenue projection increased by \$1.2 million. This increase is due mainly to the Metro street overlay collections. We anticipated receipt of \$9 million; actual collections resulted in \$10 million.

Expenditures – FY 2003

The overall projected expenditures for the General Fund declined \$7.5 million from May 2003. The estimates for expenditures as of June 2003 are approximately \$1.392 billion. We based these projections on year-to-date expenditures and allowances for departmental termination pay through August.

Fund Balance – FY 2003

The FY 2003 projected ending fund balance is approximately \$81.4 million. This is what is left after the designated funds for “Sign Abatement”(\$2.1 million) and “Rainy Day Fund”(\$20.0 million).

Mayor Lee P. Brown
City Council Members
June 2003 Monthly Financial and Operations Report

HIGHLIGHTS OF THE BOND STATUS REPORT

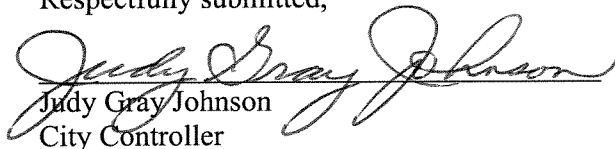
COMMERCIAL PAPER	Drawdowns FY 03 (in millions)	Drawdowns In June (in millions)	Amount Available to be Drawn (in millions)	Amount Outstanding (in millions)
General Obligation				
<i>(Series A & B)</i>				
<i>Public Improvement Bond</i>	\$ 153.00	\$ 20.00	\$ 107.70	\$ 340.30
<i>(Series D)</i>	\$ 10.00	\$ 5.00	\$ 155.00	\$ 10.00
<i>(Series C)</i>				
<i>Equipment</i>	\$ 23.50	\$ 4.50	\$ 2.40	\$ 43.50
<i>Storm & Overlay</i>	\$ 5.00	\$ 0.50	\$ 3.10	\$ 16.00
<i>(Series E)</i>				
<i>Downtown Streetscape</i>	\$ 5.50	\$ 5.50	\$ 0.00	\$ 5.50
<i>Equipment</i>	\$ 22.00	\$ 0.00	\$ 69.50	\$ 0.00
Water and Sewer	\$ 295.25	\$ 0.00	\$ 284.75	\$ 415.25
<i>(Series A & B)</i>				
Aviation	\$ 10.00	\$ 0.00	\$ 300.00	\$ 0.00
<i>(Series A,B, & C)</i>				
Convention & Enter.	\$ 22.50	\$ 0.00	\$ 52.50	\$ 22.50
<i>(Series A)</i>				

The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt issued in a variable rate structure.

As of June 30, 2003, the ratio for each type of outstanding debt was:

General Obligation	21.0%
Water and Sewer	10.8%
Aviation	15.8%
Convention & Entertainment	26.8%

Respectfully submitted,


Judy Gray Johnson
City Controller